

By: S. Davis of Harris

H.B. No. 681

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the issuance of revenue bonds to fund capital projects at The University of Texas Health Science Center at Houston.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 55, Education Code, is amended by adding Section 55.17821 to read as follows:

Sec. 55.17821. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for the renovation and modernization of facilities at The University of Texas Health Science Center at Houston to be financed through the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed \$116.9 million.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those

bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

SECTION 2. Section 61.0572(e), Education Code, is amended to read as follows:

(e) Approval of the board is not required to acquire real property that is financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, ~~or~~ 55.17721, or 55.17821, except that the board shall review all real property to be financed by bonds issued under those sections to determine whether the property meets the standards adopted by the board for cost, efficiency, and space use. If the property does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board.

SECTION 3. Section 61.058(b), Education Code, is amended to read as follows:

(b) This section does not apply to construction, repair, or rehabilitation financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.17592, 55.1768, 55.1771, ~~or~~ 55.17721, or 55.17821, except that the board shall review all

1 construction, repair, or rehabilitation to be financed by bonds  
2 issued under those sections to determine whether the construction,  
3 rehabilitation, or repair meets the standards adopted by board rule  
4 for cost, efficiency, and space use. If the construction,  
5 rehabilitation, or repair does not meet those standards, the board  
6 shall notify the governor, the lieutenant governor, the speaker of  
7 the house of representatives, and the Legislative Budget Board.

8       SECTION 4. This Act does not affect any authority or  
9 restriction regarding the activities that a public institution of  
10 higher education may conduct in connection with a facility financed  
11 by bonds authorized by this Act.

12       SECTION 5. This Act takes effect immediately if it receives  
13 a vote of two-thirds of all the members elected to each house, as  
14 provided by Section 39, Article III, Texas Constitution. If this  
15 Act does not receive the vote necessary for immediate effect, this  
16 Act takes effect September 1, 2013.